

CITY OF MOUNTAIN VIEW

ENVIRONMENTAL PLANNING COMMISSION

STAFF REPORT

WEDNESDAY, JUNE 18, 2014

5. PUBLIC HEARINGS

- 5.1 Public hearing for consideration of a Zoning Map Amendment from the San Antonio Center Precise Plan (P9) to the P (Planned Community) district, and amendment to the San Antonio Center Precise Plan; a Planned Community Permit Amendment for Phase I (455 San Antonio Road); a Planned Community Permit for a total of 1,080,867 square feet; 107,835 square feet of commercial, retail and restaurant; a 49,751 square foot cinema; 360,909 square feet of office; a 393,914 square foot parking garage; and a 128,642 square foot, 167-room hotel and restaurant; approximately 39,816 square feet of retail building services and circulation area; and a Heritage Tree Removal Permit for the removal of 7 Heritage trees, and the Village at San Antonio Center Phase II Project Final Environmental Impact Report.

RECOMMENDATION

That the Environmental Planning Commission (EPC) recommend to the City Council approval of the following:

1. Certification of the Village at San Antonio Center Phase II Project Final Environmental Impact Report (EIR) including a Statement of Overriding Considerations for substantial increase in vehicle delay and deterioration of traffic operation at the intersection of San Antonio Road and El Camino Real, incorporating the attached findings, (see Exhibit 1);
2. Amendment to the Zoning Map to change the four properties located at 405-425 San Antonio Road, 377 San Antonio Road, 391 San Antonio Road, and 455 San Antonio Road (north parcel only) from the San Antonio Center Precise Plan (P9) district to P (Planned Community) district, incorporating the attached findings, (see Exhibit 2);
3. Amendment to the San Antonio Center Precise Plan District reference map and associated language, (see Exhibit 3);
4. Planned Community Permit for a total of 1,080,867 square feet; 107,835 square feet of commercial, retail and restaurant; 49,751 square foot cinema with 1,410 seats; 360,909 square feet of office; a 393,914 square foot parking garage with 1,386 parking stalls;

and a 128,642 square foot, 167-room hotel and restaurant; approximately 39,816 square feet of retail building services and circulation area, and a Heritage Tree Removal Permit for the removal of 7 Heritage trees incorporating the attached findings (see Exhibit 4); and

5. Amendment to the existing Planned Community Permit for the Phase 1 project at 455 San Antonio Road, (see Exhibit 5).

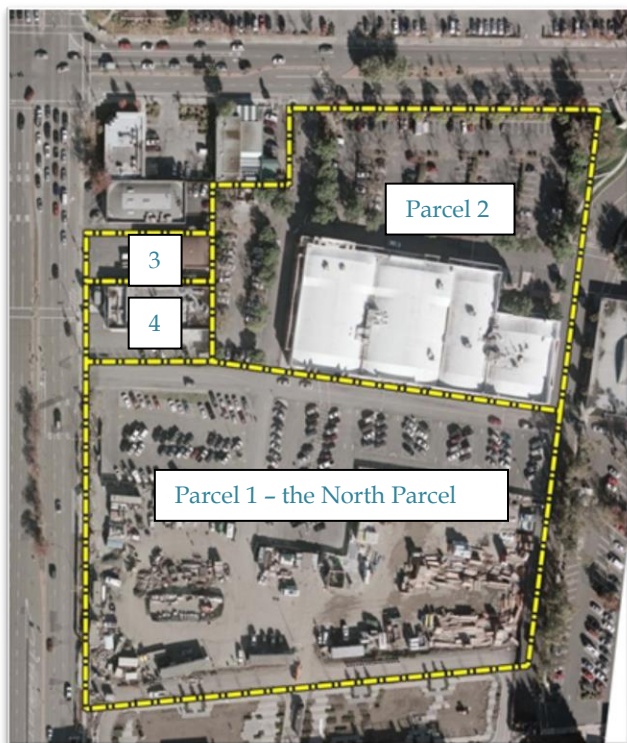
PUBLIC NOTIFICATION

The Commission's agenda is advertised on Channel 26, and the agenda and this report appear on the City's Internet website. All property owners within a 1,000' radius and other interested parties were notified of this meeting. A City Council meeting will be held regarding this project and property owners and interested parties will receive separate notification.

BACKGROUND

Project Site Location and Characteristics

The City Council approved a Phase I development in June 2011, consisting of 311,000 square feet of retail area, up to 350 residential units, and a 1-acre open space. MGP has completed the southern component of the Phase I project, which includes the Safeway building, satellite buildings on El Camino Real and San Antonio Road, the apartment buildings with ground-level retail, and the Village Green on the Hetch-Hetchy.



The Phase II project site is located in the northwest corner of the San Antonio Shopping Center with frontage on San Antonio Road, California Street, and Pacchetti Way. The project site is referred to as "405 San Antonio Road" and consists of four parcels totaling 9.9-acres.

- Parcel 1 was previously entitled in July 2011 for a 175,000 square foot podium retail building with structured parking as part of the MGP Phase I project.

- Parcel 2 is currently developed with a Ross department store, BevMo store, and parking lots.
- Parcel 3 is developed with a one-story commercial building that is currently vacant, but was previously occupied by Barron Park Supply.
- Parcel 4 is developed with a one-story commercial building that is currently vacant, but was previously occupied by the International Market.

Project Description

The applicant (Merlone Geier Partners or MGP) requests a Precise Plan Amendment to remove Phase II project site from the San Antonio Precise Plan; rezoning the project site from the San Antonio Center Precise Plan (P9) to the (P) Planned Community District; and the construction of a mixed-use development with six buildings and associated site amenities, including:

- 360,909 square feet of office with four levels of underground parking (1,174 parking spaces);
- 107,835 square feet of commercial/retail/restaurant;
- 49,751 square feet of cinema/theatre;
- 128,642 square feet, 167-room hotel with conference facilities;
- 393,914 square feet parking structure with 1,386 spaces;
- 39,816 square feet of retail building services and circulation area; and
- 25,000 square-foot central plaza (expands to 50,000 square-feet when the Promenade is closed to vehicles)

Note: No residential development is proposed as part of this project.

The proposed project is within the San Antonio Center Precise Plan (SAC PP), which covers the entire shopping center. The Center is a subset of the greater San Antonio Change Area which was identified in the 2030 General Plan. A new Precise Plan for the entire change area is underway.

The San Antonio Center is well served by transit and the site is within walking distance to Caltrain and the Valley Transportation Authority's (VTA) San Antonio Transit Center (routes 22, 32, 34, 35, 40, 522 and Stanford's Marguerite Shuttle). Future transit enhancements could include a Bus Rapid Transit (BRT) stop on El Camino Real. Several gathering spaces are located throughout the San Antonio Center with a main emphasis on the Village Green, which was constructed as part of the Phase I project, and a central public plaza in the center of the Phase II/project site. Buildings are placed with ground

floor retail/restaurants facing the Village Green and Promenade, the public plaza, San Antonio Road and California Street.

Previous Meetings

The following section is a summary of previous City Council, EPC, DRC, and B/PAC meetings:

- (1) On December 13, 2011, the City Council authorized a Gatekeeper application for a Phase II mixed-use development at the San Antonio Center. Council direction was to allow revenue generating uses such as entertainment, retail, hotel, and office. The original Gatekeeper application proposed a mixed-use development consisting of 700,000 square feet of office, 70,000 square feet of retail, a 150- to 200-room hotel, above-grade structured parking, two levels of underground parking, 6- to 11-story building heights and no residential units.
- (2) On May 16, 2012 and June 12, 2012, prior to the adoption of the 2030 General Plan, EPC and Council held Study Sessions on the project. The EPC and Council directed MGP to reduce the project size. Council indicated up to a 3.0 Floor Area Ratio (FAR) could be considered on the site with significant public benefits, but that building heights had to comply with the 8-story height limit being studied in the 2030 General Plan.
- (3) Following the Council study session in June 2012, Council adopted the 2030 General Plan on July 10, 2012, and directed staff to start a visioning process for the San Antonio Change Area before the Phase II project could proceed. The Council accepted the visioning document in January 2013. Before authorizing Phase II to proceed, Council requested a study session on public benefits and off-site infrastructure priorities for the San Antonio Change Area. On March 19, 2013, Council held a study session and directed staff to focus on mobility-related public benefits for the San Antonio Change Area.
- (4) On April 3, 2013 and April 16, 2013, the EPC and Council respectively held Study Sessions on the project. Council supported the mix of uses and directed the applicant to: provide increased setbacks on California Street and San Antonio Road, reduce the massing of the office buildings, provide greater articulation on the upper floors, and design the project so it is unique and feels like Mountain View.

- (5) A Council Study Session was held on October 8, 2013 for the new San Antonio Precise Plan to provide a status report and receive Council feedback on key precise plan topics, objectives and issues for the new Precise Plan. Council provided three fundamental points:
- Bicycle and pedestrian connectivity and circulation are the highest priority for on and off-site improvements;
 - Urban design and place-making are critical to create an environment where people will go to shop, be happy to get out of their cars, and stay in the area; and
 - Vehicle trip reduction and management is very important, and as such vehicle convenience is not the highest priority.
- (6) The most recent EPC meeting was a Study Session on October 2, 2013. The EPC was generally supportive of the mix of uses but raised concerns with the intensity, building heights, pedestrian and bicycle circulation and traffic.

The following is a summary of the EPC's comments from the Study Session:

- Supported the mix of uses but concerned with the proposed building heights, intensity and floor area ratio (FAR).
- Supported the proposed 30-percent trip reduction target for the office use.
- Concerned with the traffic associated with the project and impacts to the surrounding area.
- Noted the architecture and design has improved, and the project provides greater setbacks and articulation on the public street sides.
- Noted Phase II provides storefronts facing the public streets and larger setbacks, which is lacking in Phase I.
- Suggested more step-backs on the upper floors for buildings facing the central plaza.
- Suggested varied building heights throughout the project, which would also reduce the FAR.

- Concerned with the “tunnel” effect on Silicon Way as it passes through the cinema parking structure.
- Emphasized the need to improve the pedestrian and bicycle connections within the project, to the neighborhood and the rest of the Center.
- Supported the implementation of bike lanes on both sides of San Antonio Road as a public benefit.
- Noted the need for additional public benefits to support the request for increased FAR.
- Requested continued discussions with the Milk Pail Market to: integrate the business within the new development, or allow shared parking if the Milk Pail Market remains in its existing location.
- Noted MGP’s efforts to prepare a monument for historic events that occurred at 391 San Antonio Road.

Approximately nineteen (19) members of the public commented on the proposed project at the EPC Study Session. Public comments ranged from support of the project and the mix of uses to concerns about traffic, intensity, pedestrian and bicycle circulation, and impacts to the Milk Pail market.

- (7) On October 29, 2013 Council reviewed the proposed Phase II project and was generally supportive of the mix of uses but raised concerns with the design of public spaces and green spaces, pedestrian and bicycle circulation, setbacks between buildings, and public benefits. Council recommended that the applicant work with Project for Public Spaces (PPS) or a similar place-making organization to make the public spaces more attractive and to create places where people would gather.
- (8) On March 4, 2014 another City Council Study Session was held to provide a Council with a presentation by project for Public Spaces (PPS) on place-making, view Merlone Geier’s proposed plans as a result of PPS’ suggestions and receive Council feedback on the place-making recommendations as well as building separation and setback issues. Council generally agreed with PPS’ recommendations but requested that PPS, the DRC and the B/PAC analyze the development proposal for bicycle and pedestrian connectivity. Also, Council members agreed that while it was important to have significant building separation between buildings and sidewalks on both sides of the street, Council felt that certain “pinch points” could be allowed. Council directed staff to work the applicant to find a common ground.

- (9) Since the March 4, 2014 City Council hearing, the Development Review Committee held two meetings (April 2, 2014 and May 21st, 2014,). The DRC recommended approval of the project with project conditions requiring the applicant to continue to refine the detailing for the parking garage façade treatment, California Street building façade, portions of the office design and the jewel building concept. As directed by Council, staff requested DRC's input on the proposed bicycle and pedestrian network. The DRC unanimously agreed that the improvements made to the site plan helped foster a cohesive pedestrian and bicycle friendly atmosphere. One concern that was raised was whether supersharrows should be added behind the existing Phase I buildings since those areas were loading areas.
- (10) On May 28, 2014 the Bicycle / Pedestrian Advisory Committee reviewed the project and a memo provided by Mark Plotz, the Director of the National Center for Bicycling & Walking and Vice-President of PPS, and determined that the proposed bicycle and pedestrian circulation proposed within and adjacent to the project area and the proposed bicycle parking facilities were adequate. Staff specifically asked the B/PAC whether bike lanes should be designed within the development along the Hetch Hetchy and Pacchetti Way. B/PAC supported the applicant's philosophy of using supersharrows rather than the construction of separate bicycle paths and also agreed with use of signage and raised speed tables throughout the development to help calm traffic and have vehicles and bicyclist share the road. The B/PAC also commented on how the proposed development was designed to make the surface for the pedestrian and people and not for vehicles. The B/PAC was supportive of the proposed bike lane widths along San Antonio Road and California Street and asked that the City's Traffic Engineer work with the applicant on the specific details for the bike lanes.

The B/PAC added four main recommendations: the applicant will review and provide analysis of the use of bicycle facilities in the development every four years and make adjustments to the demand; secondly, B/PAC agreed with PPS' recommendation and the applicant's original design for the constructions of a buffered bike lane with a raised planter along California Street. Public Works staff does not recommend the applicant pursue the raised planter design due to the fact that the planter would be constructed for only a short distance along California Street since the developer does not own the entire frontage along California Street from San Antonio Road to Pacchetti Way. The B/PAC also recommended that the applicant provide vibrant paving to differentiate pedestrian walkways from vehicular driveways. Finally, B/PAC recommended that the applicant create a bike boulevard on Pacchetti Way at the Crossings to prevent cut through traffic from the Center into the neighborhood.

ANALYSIS

General Plan

General Plan Consistency: San Antonio Change Area

The San Antonio Change Area encourages a mixture of commercial and residential uses with improved bicycle and pedestrian connections to the surrounding neighborhoods and to Caltrain and Valley Transportation Authority (VTA) transit stations. A revitalized San Antonio Center will serve as a key destination at the core of the Change Area. Larger regional commercial uses that attract visitors while also serving the community are encouraged. Walkable blocks, pedestrian-oriented streets, public plazas and development of the Hetch-Hetchy right-of-way are also encouraged.

The applicant proposes to redevelop an underutilized 9.9 acre site that currently houses only 59,655 square feet of commercial and retail building area. The remaining businesses on the properties employ fewer than 50 people per day. The proposed project includes a more intense mixed-use development type, which will result in new business opportunities, a stronger commercial center, substantial employment growth, and continued growth anticipated for the San Antonio Change Area. In addition to Office and Entertainment uses, the proposal includes a hotel, which is a use that is currently under-represented in this area.

The project is complex and the EPC's review should be at several levels, including, first and foremost, General Plan consistency.

Staff has highlighted relevant General Plan policies and how the project relates to each:

- *LUD 21.1: A mix of land uses. Support a mix of commercial land uses serving the neighborhood and the region.* The applicant is proposing a mix of land uses including shopping, dining, entertainment, lodging, and employment, which will create destination locations for shopping, working, and recreation. Further, the proposed development will compliment and enhance the existing San Antonio Shopping Center by continuing to develop a broad pedestrian and bicycle network and increased connectivity in the area.
- *LUD 21.3: Improved connectivity. Promote improved connectivity to adjacent neighborhoods, destinations, and Downtown & LUD 21.4: Improved pedestrian and bicycle circulation. Support improved pedestrian and bicycle circulation and connectivity throughout the area.* The applicant is proposing to realign the median on San Antonio Road and install bike lanes on both sides of the street from El Camino Real to

California Street connecting to existing bicycle lanes on San Antonio Road. The applicant also proposes to improve the existing bike lane along California Street. Further, the applicant will dedicate land to the City to expand the public right-of-way for generous public sidewalks. Said improvements are proposed at the California Street and San Antonio Road intersection to assist in vehicular, pedestrian and bicycle connectivity and improve pedestrian safety.

- *LUD 22.1: San Antonio Center transformation.* The proposal supports the transformation of San Antonio Center into a regional mixed-use and commercial destination. The proposed Phase II development will compliment the Phase I development and enhance the success of the entire San Antonio Shopping Center by increasing the number of employees in the area, adding a new movie theatre complex that will serve the local community and draw a regional audience, and by including a new hotel to the center to support the commercial and office uses in the area.
- *LUD 22.3: Gathering spaces. Encourage new plazas, open space and other gathering spaces in the San Antonio Center.* During the project review process, the applicant hired Project for Public Spaces (PPS) to assist with the design of the new public open spaces and plazas within the project area. This resulted in a substantial re-thinking of the public space within the project. This work was presented to Council in March 2014 and direction from Council and staff was incorporated into the plans. As a result, the proposed market/restaurant at California Street and Pacchetti Way provides an opportunity for neighborhood-serving use(s) with a large, attractive outdoor eating area, which provides a transition to the adjacent neighborhood from the higher-density development. The applicant is also providing a large Central Plaza measuring 25,000 square feet with amenities such as a water feature, outdoor seating, artwork, and landscaping. To ensure that the main plaza area is active and accessible, staff has drafted a condition of approval to require the applicant to provide events throughout the year to activate the central plaza.
- *LUD 22.4: Pedestrian-oriented design elements. Ensure that development include pedestrian-oriented design elements such as accessible building entrances, visible storefronts and landscaping.* Staff learned a great deal from the Phase I development and has focused on the design and scale of the proposed project. Staff, the architects on the Development Review Committee (DRC), and the Environmental Planning Commission (EPC) have all emphasized the pedestrian experience when reviewing the proposed project. As a result, the plans have evolved to include a thoughtful pedestrian-oriented network and building scale. To that end, the ground-floor commercial and retail storefronts are required to be fully articulated and to continue around to the San Antonio Road and California Street frontages.

- *LUD 22.5: Finer street grid. Promote a finer street grid and improved connectivity within San Antonio Center & LUD 22.6: Improved mobility.* Support improved mobility within San Antonio Center for vehicles, transit, bicyclists and pedestrians. The site plan includes a grid circulation system, with connections to the remainder of the shopping center, to the adjacent neighborhoods, and transit stations, with the majority of street frontages consisting of retail, restaurant or commercial storefronts. In addition to input from Council and the EPC, the DRC and the Bicycle/Pedestrian Advisory Committee (B/PAC) reviewed the proposed circulation pattern for the proposed development and agreed that the sidewalks, roadways and bicycle facilities were adequate.

P District Zoning

The application includes a request to rezone the property from the San Antonio Center Precise Plan (P9) district to the P (Planned Community) district (see Attachment 2—Findings for the Amendment to the Zoning Map + Zoning Map Exhibit). The P District designation allows the City the flexibility to consider a project with heights and intensity that do not conform to the existing San Antonio Precise Plan (P9) District prior to the adoption of the San Antonio Precise Plan. The project site will be incorporated into the San Antonio Precise Plan Area, when it is adopted by Council. Staff discusses this further in the *Precise Plan Amendment* section of the report below.

The P District zoning has been used for several other Gatekeeper projects to allow projects to proceed, consistent with the General Plan, prior to the adoption of the Change Area Precise Plans (e.g. El Camino Real apartment, Whisman Area & Intuit office projects).

San Antonio Center Precise Plan Amendment

The San Antonio Center Precise Plan (SAC PP) was amended in June 2011, to allow for the Phase I project, but also to refresh the City's vision and expectations of any development in the Center and to align the document with the 2030 General Plan visioning. The SAC PP has not been updated to reflect the increased FAR (up to 2.35) and height (up to 8 stories) that is part of the 2030 General Plan adopted in July 2012.

All the uses proposed by the applicant as part of the Phase II project are consistent with the existing SAC PP, but the project requires a P District Zoning since the project does not conform to the current SAC PP for intensity and heights:

- (1) The existing Precise Plan does not include FARs; instead, the Plan specifies a maximum of 961,000 square feet of commercial development in the Center (for

reference, this equates to a 0.39 FAR). This maximum was derived by taking the existing Center before Phase I, adding the Phase I development, and an additional 100,000 square foot allowance for the rest of the Center. The expectation was that any new major development would amend the maximum square footage allowed in the San Antonio Shopping Center. The applicant proposes a project with a FAR of 2.51 (for reference, it would be 1.59 without the parking structure). If Phases I and II are combined, the overall is about 1.84. The 2030 General

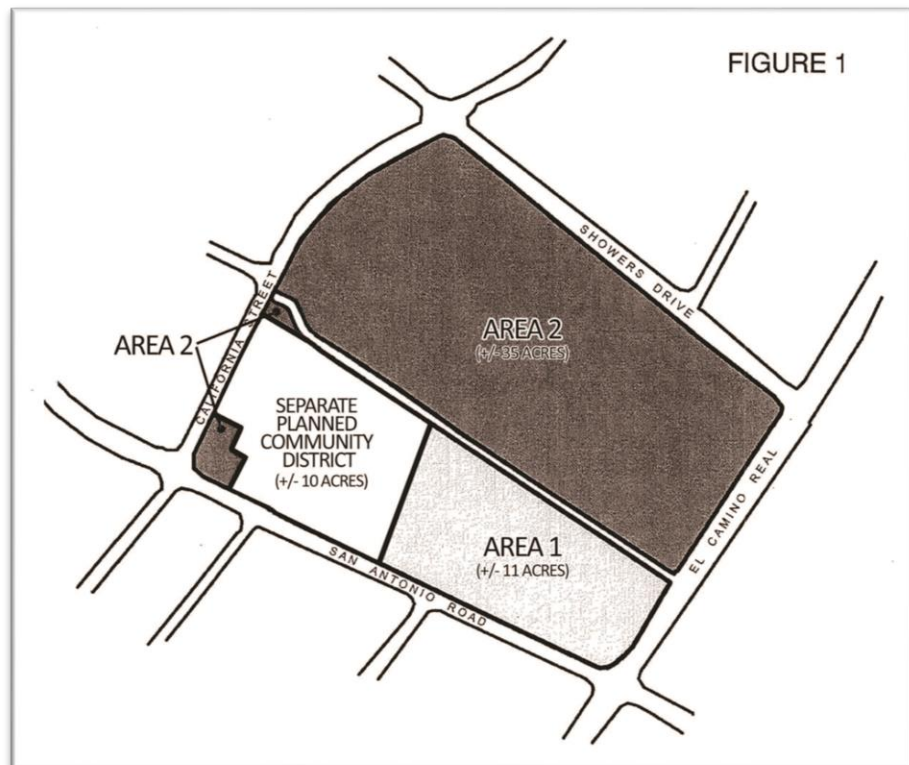
Plan establishes a maximum FAR of 2.35.

- (2) The existing Precise Plan allows commercial buildings up to 55' in height. As part of Phase II, commercial building heights up to 89 feet are requested. This

is consistent with the 2030 General Plan height standards, which allow up to 8 stories.

- (3) The existing Precise Plan allows residential buildings and hotels up to 80', or seven stories. The applicant proposes hotel heights of 90'. This does not exceed the 2030 General Plan height guidelines, which allow up to 8 stories.

An amendment to the existing San Antonio Center Precise Plan is required to remove the project site from the Plan Area as well as make associated edits to the text (see Attachment 3— Findings for the Amendment to the San Antonio Center Precise Plan). The edits pertain to the Area map and associated area descriptions; and to the intensity section.



Planned Community Permit Amendment – Phase I (North Parcel)

The City Council approved a Phase I development on 16 acres in June 2011, consisting of 311,000 square feet of retail area, up to 350 residential units and a 1-acre open space. MGP has completed the southern component of the Phase I project, which includes the Safeway building, satellite buildings on El Camino Real and San Antonio Road, the apartment buildings with ground level retail and the Village Green.

The Phase I approval also included a 175,000 sq. ft. retail building on the former Tire Center site between the Hetch Hetchy Green and the Ross and Bev Mo building. This site was referred to as the “North Parcel” during the Phase I review. If Phase II is approved, then the North Parcel component of Phase I would not be constructed. If Phase II is not approved, then MGP could construct the North Parcel building. An amendment to Planned Community Permit for Phase I is included in this project proposal (see Attachment 4 - Findings for the Amendment to the existing Planned Community Permit for 455 San Antonio Road & Exhibit).

Planned Community Permit**Project Design**

In general, the layout of the site plan matches the version presented to EPC and Council in late 2013. The applicant proposes a grid circulation system, with connections to the remainder of the shopping center, to the adjacent neighborhoods, and transit stations, with the majority of street frontages consisting of retail, restaurant or commercial storefronts (see Attachment 6— Project Plans).

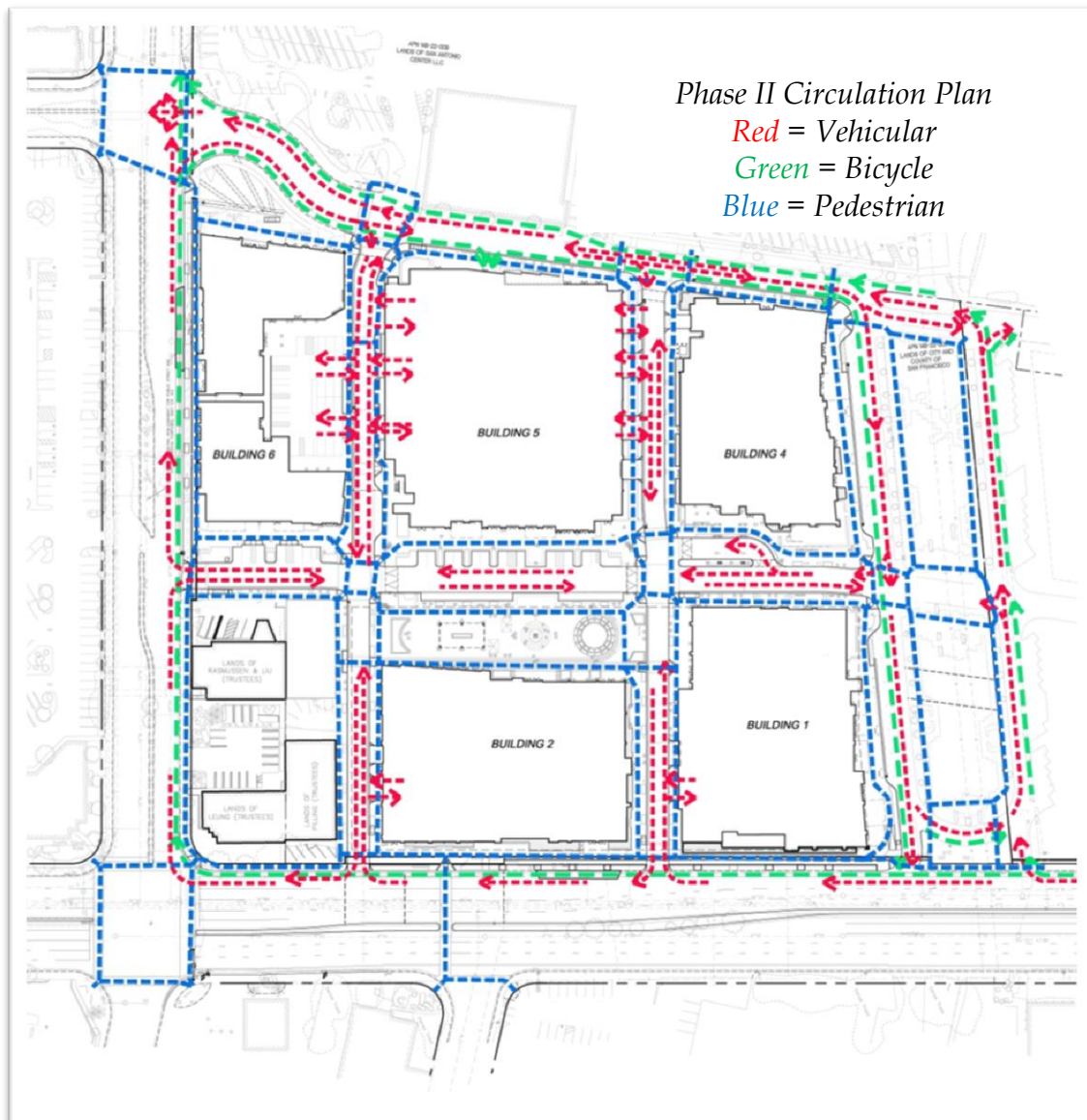
The site plan has been revised to address the City’s concerns with Phase I by including a grid system providing pedestrian connectivity and wider sidewalks in and throughout the Phase II area, no surface parking lots and maximized storefronts along public and internal streets. The applicant has worked with staff since the March 2014 City Council Study Session to provide greater separation between buildings facing Silicon Way and Disk Drive and to design sidewalks on both sides of the streets.

The circulation diagram proposes dedicated bicycle paths around the perimeter of Phase II with shared vehicular/bicycle travel ways within Phase II. Pedestrian paths are provided along most roadways.



Proposed Site Plan for Phase II

The circulation diagram proposes dedicated bicycle paths around the perimeter of Phase II with shared vehicular / bicycle travel ways within Phase II. The applicant has worked with staff since the March 2014 City Council Study Session to provide pedestrian paths along all roadways. This circulation plan was reviewed by both the DRC and the B/PAC. Both Committee's supported the proposed circulation plan as proposed by the applicant.



Travelling Along San Antonio Road

Building 1 is a six story office building located at the intersection of San Antonio Road and the Village Green (also known as the Hetch Hetchy Park). A large restaurant space is prominently located at the corner, set back about 22' from the San Antonio Road curb line.

The third floor has a sizeable terrace facing San Antonio Road and the Village Green. Floors 3 to 5 are further setback from the ground floor restaurant by an additional 13' along San Antonio Road and 16' along the Village Green Driveway. The upper level of the six story office building is set back about 12' further than the 5th floor.

A minimum 8' sidewalk and 6' planter strip with street trees is provided along San Antonio Road. Passing the restaurant space, a large outdoor dining patio and storefront faces San Antonio Road, and is set back about 30' from the curb.

Between Building 1 and Building 2 is Disk Drive, a 22' wide internal street that provides vehicular, bicycle and pedestrian access into the project.



View of Building 1 from San Antonio Road

Building 1 Statistics:

6 stories, 88'-6" to 94'-6" (not counting rooftop equipment)
24,072 sq. ft. ground level retail/commercial
193,541 sq. ft. office
4 levels of underground parking
1,200 estimated employees



View of Building 2 from San Antonio Road

Building 2 Statistics:

6 stories, 88'-6" to 94'-6" (not counting rooftop equipment)
28,200 sq. ft. ground level retail/commercial
199,000 sq. ft. office
4 levels of underground parking
1,200 estimated employees

Building 2 is also a six-story office building. The ground floor is programmed for commercial spaces, either retail, service, or small office uses. The entire San Antonio Road frontage consists of storefronts, set back about 30' from the curb. The building mass is further terraced to create a stepped effect from the building perimeter as directed by Council, the EPC and the DRC. Floors 3 to 5 are further setback from the ground floor by an additional 15' along San Antonio Road and 16' along the Disk Drive. The upper level of the six story office building is set back about 13' further than the 5th floor.

Along the frontage of Building 2 a "Birthplace of Silicon Valley" monument marking the location of the discoveries made at 391 San Antonio Road. MGP is working with a volunteer group of people associated with the historic event. Staff has not reviewed any designs at this point but has included conditions of approval requiring the applicant to work with staff on the final design details and maintenance of the monuments.

The applicant is proposing to use a natural limestone with an honed finish, wood panels, brick veneer and tile to warm up proposed contemporary glazing of the office facades. The DRC was agreeable with the color and material palette selected by the applicant and recommended support.

Staff and the DRC generally support the design of the San Antonio Road frontage. The prominent restaurant at the Village Green has a smaller setback, but the DRC and staff believe that is appropriate and acceptable given the location and the use. The applicant has reduced the mass of the buildings by stepping back portions of the buildings while articulating key building entries. Building 2 corresponds to the adjacent single-story office because of the larger setbacks and should the remaining corner parcels redevelop the setbacks proposed along Disk Way the proposed building mass seems to be appropriate. The applicant will be required to activate the storefronts along San Antonio Road by having the primary building entries for the commercial spaces located there and not in other locations. The applicant will not be permitted to close off those entries. Conditions of approval have been included to address these points.

Between Building 2 and the adjacent 1 story office building is Silicon Way, a 22' wide internal street that provides vehicular, bicycle and pedestrian access into the project.

Travelling Along California Street



View of Building 6 from California Street

Building 6 Statistics:

2 stories, 54' -62' top of structure
80' (top of tower)
20,000 sq. ft. ground level retail
49,751sq. ft. cinema
1410 seats

Starting at the northwest corner of the site and walking east toward Downtown, one crosses the Promenade, which serves as one of the central spines to the entire San Antonio Shopping Center project (Phase I and II). Building 6 is located across the Promenade and California Street. The entire frontage of Building 6 faces California Street and consists of retail storefronts, while the lobby to the proposed cinema is from the Promenade near the public plaza. There is no access to the cinema from California Street because the applicant and their design team wanted the theatre entrance to activate the central plaza. A signature tower for the cinema measuring 80' in height is located at the northwest corner providing a formal gateway for the project.

The upper level of this building is up to 80 feet in height at the Promenade and steps down to 50 feet at Pacchetti Way. The applicant has worked with staff and the cinema tenant to decrease the second story volume especially at the corner of California Street and Pacchetti Way as shown in these before and after renderings. Improved articulation and massing has also occurred along the California Street elevations as recommended by staff and the DRC.



Previous Rendering of Cinema / Retail Building



Current proposal of Cinema / Retail Building

The applicant has worked with staff since the March 2014 City Council Study Session to propose an average 18' setback from the curb to the building wall along California Street. The minimum setback is 16'-4" and the maximum is 22'-4". Instead of a contiguous planter strip, the applicant is proposing 5' by 10' tree wells with decomposed granite every 40' along the project frontage and 8' wide sidewalks.

As you approach Pacchetti Way, a prominent corner tenant space is provided with an outdoor retail or dining area. This tenant space is designed to function as an open-air market with opportunities to bring merchandise out into the open space, but could also function as a restaurant space.

Recently, the applicant informed staff that they were unable to secure an agreement with the adjacent property owner to utilize a portion of their property for the outdoor plaza area. Therefore, the plaza space has been reduced from 5,000 square feet to 3,000 square feet. Staff recognizes this area as an important gateway to the proposed project, and as such a condition of approval has been drafted requiring the applicant to work with staff on the new design of the plaza.

The DRC supports the storefront design on California Street and the concept of having a prominent corner tenant space and outdoor area at Pacchetti Way.

California Street has an existing bike lane. In the *Public Benefits* section of this report, staff discusses the requirement of additional street dedication to allow for a separated bike lane.

Travelling Along Pacchetti Way

As one leaves the open plaza at the corner of California Street and Pacchetti Way, a pedestrian pathway leads past the corner tenant space toward Silicon Way, an internal street that leads through the Building 5 parking structure. Based on DRC, City Council and EPC

comments, the applicant has worked on enhancing the design of the pedestrian walk between the proposed cinema and parking to ensure there is no "tunnel" effect in the garage and to provide an 8' dedicated walkway on both sides of the drive aisle through the parking garage. Both the B/PAC and DRC have reviewed the updated designs and have recommended approval to the EPC and Council.



After crossing Silicon Way, there is a small retail tenant space intended for a bike shop and Fix-It bike maintenance area. This is the rear of Building 5, and the building is set back 12'-2" to 26' from the curb line with a ten-foot sidewalk with tree grates. The building has six levels of above-grade parking and one level of underground parking – serving the hotel. The building height is 74' not including elevator overrun areas.

Building 5 Statistics:

6 stories, 74'-6"

12,373 sq. ft. ground level retail

1,386 total parking spaces

390,005 sq. ft. of above-grade parking area

1 underground parking level for Hotel customers



Beyond the bike shop are maintenance and utility areas for the project, which the applicant has worked with the DRC to attractively screen. It should be noted that a bank of water meters will be located behind a long screen wall behind the walkway. Utility doors for the electrical, transformer and emergency generators are also found along this façade. As a condition of approval, the applicant will be required to work with staff and the DRC to improve the proposed design of this service area to ensure the pedestrian zone is attractive and feels open.

The proposed architectural design of the parking garage includes a system of twisted louvers attached to the wall to effectively screen the entire façade on all four sides. The applicant provided the concept, and the DRC recommended this design for approval. The louvers will add visual interest to the parking garage and provide a different building material in the project palette. The three art panels that were once proposed along this façade have been significantly decreased in size. The applicant will be required to commission an artist to design material for these panels; they cannot be used for advertising or lifestyle images.

After crossing Disk Drive, you reach the east side of the hotel on Block 4. The 7-story, 167 room hotel will have a maximum height of 90'. The pedestrian zone on this east side of Disk Drive averages 14' but narrows to 12'-9" at the southeast corner. Staff presented this issue at the March 2014 City Council Study Session and Council did not find an

issue with having certain “pinch points” within the development. The corner retail tenant on Pacchetti Way and the Village Green has storefront glazing facing both Pacchetti Way and the Village Green. Strong pedestrian crossings are included at Pacchetti Way to connect Phase II to the neighboring stores in the Center, based on PPS’ and B/PAC’s recommendations.

Travelling Along Village Green

As one turns the corner from Pacchetti Way at the Village Green, the one-acre open space comes into view. The Village Green and the Promenade serve as the two prominent multi-modal connections for the Merlone Geier Phase I and II project. Retail and restaurant storefronts and parallel parking are provided for the entire frontage of the Village Green. This is a marked improvement over the North Parcel building approved for Phase I. The pedestrian zone along the Village Green narrows at one point to 15’ but widens to as much as 34’. The average building setback measures 24’-7”.

The hotel lobby, restaurant and retail spaces would be on the ground floor while the hotel rooms would be located on floors 2 through 6. The proposed architecture complements the other buildings in Phase I and Phase II with materials and a color palette that is neutral and warm yet contemporary



View of Building 4 from the Village Green

Building 4 Statistics:

6 stories, 90’

15,000 sq. ft. ground level retail/restaurant

150,000 sq. ft. hotel with 167 rooms

in style. There is greater articulation in the hotel design and a U-shaped massing of the second through sixth floor plates, allowing natural light and views to all of the hotel rooms. The U-shaped building would sit on a large podium deck with a pool, spa, and other hotel amenities.

The project has been designed to complete the Village Green “main street” frontage with ground floor retail and restaurants and a continuation of the promenade from the Phase I development. The roadway along the Village Green is one-way and 20’ wide, which provides ample room for bicyclists and vehicles to share the road. Sharrows,

signage and pedestrian marking are proposed along the Hetch Hetchy. The B/PAC and the DRC did not recommend separate bike lanes along Pachetti Way or the roadway along the Village Green.

Travelling Along the Promenade

The Promenade is a wide pedestrian-oriented pathway running through the core of the proposed Phase II project. Wide tree lined sidewalks are provided along the entire Promenade. Building 1 is set back at least 14'-6" from the curb line while the hotel is setback approximately 42' from the curb.

Starting from the Village Green, the east side of the Promenade has a large outdoor dining area for a restaurant tenant as part of the hotel, then a one-way drop-off lane leading to the porte-cochere and hotel lobby. The porte-cochere will be designed with a green roof. Significant changes have been made to the project design based on PPS' recommendations to include more seating opportunities and strengthening the pedestrian connection from the Village Green through the promenade. The applicant shifted the pedestrian path towards the building creating a larger seating area and pedestrian connection at the front of the hotel. The lobby and lounge / bar area could now spill onto the sidewalk and activate the space.



View of Building 5 Parking Structure, Central Plaza and Office Buildings

Building 5 Statistics:

6 stories, 74'

15,000 sq. ft. ground level retail

1,480 total parking spaces

490,000 sq. ft. of above-grade parking area

1 underground parking level for Hotel customers

The west side of the Promenade has storefronts for ground-level retail or restaurant tenants in Building 1.

The entire Promenade is bounded by storefronts in Buildings 1, 2, 4, 5 and 6. The primary entrance to the cinema lobby is oriented toward the central plaza at the intersection of the Promenade and Silicon Way. Limited street parking is also provided along the Promenade.

Bicyclists in the Promenade will share the roadway with vehicles, similar to Phase I which was an accepted condition by the B/PAC and the DRC.

Central Plaza

The Promenade provides a clear and direct connection between the major open space of Phase I, the Village Green, and the major open space of Phase II, the central plaza. The plaza has been redesigned since the last EPC Study Session based on recommendations provided by PPS and City Council. Overall, the open area provides about 150' between Building 2 and Building 5; and 350' between Building 1 and 3. The applicant has designed the circulation network so that the Promenade section between Disk Drive and Silicon Way can be closed to vehicular traffic for special events, similar to how the City closes sections of Castro Street for special Downtown events.



The central plaza is approximately 25,000 square feet and includes areas for outdoor dining and seating, an interactive water feature, retail kiosks and an additional 391 San Antonio monument (the primary monument is located adjacent to San Antonio Road).

The “Birthplace of Silicon Valley” monument will remain in the center of the plaza, but the monument has been moved and placed at the top of a series of wide steps providing additional seating opportunities. A major change to the plan includes a “Jewel Building” placed at the north side of the plaza which would be a multi-functional structure measuring approximately 2,000 square feet where food and drinks could be served; or game tables such as billiards, ping pong, chess or checkers can be set up for the use by the center’s patrons. Another programming idea suggested by PPS includes having several work/lounge/reading areas throughout the plaza. These areas can be used by either individuals, or small or large groups. For example, one area could be developed into a children’s library area where kids could read books from a cart sponsored by a local business or organization. The “jumbotron/large video screen” feature that was presented to City Council during the March 4, 2014 City Council Study Session has been removed from the plans based on staff and DRC’s direction.

When the Promenade is closed to vehicles, the plaza doubles in size to approximately 50,000 square feet. The plaza and promenade are designed with a special paving treatment and a zero curb line so the entire area visually appears as one large plaza. This will provide a variety of programming and activity options.

Staff believes the plaza is proportional and adequately sized based on the heights of the surrounding buildings particularly when the Promenade is closed to vehicular traffic. MGP states that maintaining vehicular traffic during daytime hours is necessary for the retail stores along the Promenade. MGP believes there will be sufficient pedestrian traffic to warrant closing the Promenade on weekends and weekday evenings. Staff has added a condition to the approval specifying particular events that would be required to be held on a yearly basis such as an Easter egg hunt and Oktoberfest. The event programming calendar will be reviewed annually by the Community Development Director to ensure the plaza space is being used as intended on an ongoing basis.

Travelling Along Disk Drive & Silicon Way

Building Separation

MGP has made significant modifications to the project plans based on EPC, City Council, and DRC direction as it relates to the proposed streetscape design for Silicon Way and Disk Drive. One significant change was to provide greater building separation between the two office buildings as well as the hotel and parking structure. At the last Council Study Session, staff asked Council to direct the applicant to provide a 60' minimum setback between the buildings identical to the setback provided between Building 2 & 3 in Phase I. Council agreed that greater separation was needed but asked the applicant to work with staff on the appropriate locations and felt that "pinch points" in certain areas could be considered. As a result, the applicant is proposing a 54-55' setback between Building 1 and Building 2 with pinch points of 47' in some locations. The applicant is now proposing a 59' setback between Building 4 and Building 5 reducing the footprint of the hotel and parking garage buildings. The DRC has reviewed the proposed massing and pinch points and determined that the building separation in those areas is sufficient.

Disk Drive-Sidewalks

Another significant modification to the project plans that occurred based on EPC, City Council and DRC direction is for the applicant to strive to provide sidewalks on all sides of the street within the project site including along Disk Drive and Silicon Way. As you turn the corner from San Antonio Road to Disk Drive a pedestrian can access a 14' sidewalk. As the pedestrian nears the ramp and service area along Building 1 the

walkway narrows to 9'-8" then expands up to 23'-11" near the promenade. A 15' sidewalk with street trees is proposed along Disk Drive along Building 2.

The parking garage decreased in width by 17' in order to accommodate greater building separation with the hotel building and as a result creating wider sidewalks. The sidewalk measures 21 to 27 feet along the north side of Silicon Way along the parking garage and 16 feet along the hotel frontage. Both sides of the street will have trees planted in underground planters.

Silicon Way-Sidewalks

Along Silicon Way the applicant is proposing a 37'-3" setback from the building wall to the Pilling property line. A 13' walkway is proposed on the south side of Silicon Way along Building 2. This walkway is proposed to have street trees in sunken planters. A conceptual 10' wide sidewalk is shown on the north side of Silicon Way with street trees. The construction of this sidewalk is dependent on whether the adjacent property owner allows MGP to construct this sidewalk.

As mentioned earlier in the report, the applicant is now proposing approximately 8' sidewalks on both sides of Silicon Way through the parking structure. The B/PAC and DRC found the proposed enhancements to this area a positive step to providing pedestrian and bicycle access through the parking garage.

Transportation Demand Management Plan

MGP hired Fehr & Peers traffic consultants to prepare a Transportation Demand Management (TDM) Plan outlines measures and actions designed to reduce peak-hour vehicle trips generated by the proposed office buildings by 30 percent. Staff cannot quantify the potential trip reduction associated with the non-office uses. Therefore, the required trip reduction associated with this project will be focused on the office use. For reference, Council recently approved a 20 percent trip reduction for the 625 Clyde Avenue project and a 35 percent trip reduction for Intuit's new buildings in the North Bayshore.

In order to achieve 30 percent reduction in trips, MGP proposes the following list of TDM measures in their Draft / Preliminary TDM report:

- 100% Transit Subsidy Pass Program
- Join MVTMA
- Expanded shuttle service & shuttle Loading Area
- Priority Parking for carpool and electric vehicles

- On-Site Transportation Coordinator
- Information Kiosk
- Car & Bicycle Sharing
- Secure Bicycle Storage
- On-site bicycle maintenance / repair station
- Electric bike charging station
- Guaranteed Emergency Ride Home Program
- On-Site Bicycle Maintenance and Repair
- Bicycle Infrastructure
- Individualized Marketing
- Showers/Changing Facilities
- Bicycle Share Program
- Telecommute Program

To ensure the long-term effectiveness of their TDM Plan, and their ability to provide a 30 percent trip reduction, a monitoring program will be established. Failure to meet the trip reduction established with the project would result in corrective actions to bring the trip reduction back to 30 percent, as well as fines.

MGP will join the Transportation Management Association (TMA), which could include a major shuttle line between the San Antonio Area, downtown, North Bayshore and Whisman Area. Such a line will provide free transit options between downtown and the San Antonio Center for all employees and visitors of the hotel, cinema, retail stores and restaurants. The specific TDM requirements and penalties are outlined in the Findings and Conditions Report for the project. The applicant will be required to provide a final TDM report for review and approval by the Zoning Administrator prior to the certificate of occupancy is released for the first office building.

Traffic Impact Analysis

A Traffic Impact Analysis (TIA) was prepared for the project. The TIA estimates project trips based on the Institute of Transportation Engineers (ITE) Trip Generation Manual trip generation rates for a generic office. Existing traffic counts were taken at twenty-seven intersections around the project during both peak hours and added to the projected trips for approved “but not yet built” and “not occupied” developments in the area. The twenty-seven studied intersections around the project site all currently operate at an acceptable level of service.

The results of the traffic study found that the project would result in a net increase of 571 AM peak hour trips and 839 PM peak hour trips and that all the studied

intersections would continue to operate at an acceptable level of service except at the intersection of San Antonio Road and El Camino Real. The addition of the project plus the cumulative condition would cause the operation of this intersection to degrade from acceptable (Level of Service (LOS) E) to an unacceptable level (LOS F). The project, therefore, would result in cumulatively significant impacts at the intersection of San Antonio Road and El Camino Real under the Cumulative plus Project condition analyzed in the environmental impact report (EIR).

As described in the EIR, increased intersection capacity is required to improve operation to an acceptable LOS. The Mitigation Monitoring and Reporting Plan (MMRP) include a mitigation measure requiring the applicant to pay a fair-share contribution towards the future improvement at the San Antonio Road / El Camino Real intersection. This improvement/mitigation measure includes adding a second northbound left-turn lane, and will, if constructed, improve intersection operations to an acceptable level (LOS E or better).

However, because this improvement would require approval by Caltrans, the City of Los Altos and VTA, the City cannot ensure the construction of the improvement at this time because it does not have authority over the impacted right-of-way/intersection. If other agencies within the jurisdiction do not approve the improvements described in the MMRP the project would result in significant unavoidable impacts at the San Antonio Road / El Camino Real intersection under the Cumulative Condition.

Heritage Tree Removal Permit

Demolition of the existing buildings and construction of the proposed project would result in the removal of seven (7) Heritage trees on site. A majority of the trees proposed for removal are due to the location of the trees in the proposed building footprint or in the area necessary for the construction. The applicant is proposing to install 135 new 36" box trees to mitigate the loss of the seven Heritage trees.

Parking

Since March 2014 the applicant has worked on reducing the footprint of the parking structure to provide greater building separation with the hotel resulting in wider sidewalks along Disk Drive. The applicant has also worked with staff and the cinema operator to reduce the mass of the cinema structure at the corner of California Street and Pacchetti Way by reducing the number of seats in the building from 1,710 seats to 1,410 seats. In addition to these changes, the applicant has removed the mezzanine parking area to accommodate higher ceiling heights to make the walkway more pedestrian friendly. As a result of these design changes the applicant's proposed scope

has been reduced, consequently requiring less parking spaces. Specifically, the required number of parking spaces has been reduced from 2,740 spaces to 2,596 spaces; a reduction of 144 spaces or 5%.

The applicant originally proposed the use of the parking garage to accommodate some of the parking spaces required for the office buildings. Since March 2014, based staff's direction, the applicant has agreed that none of the parking spaces in the parking garage can be striped or signed only for office users; instead it would accommodate the retail /cinema / commercial users only. The office parking garage is including 1,174 stalls when 1,203 parking spaces are required. The applicant is permitted to use a 10% reduction for office parking as part of the TDM requirements which amounts to 120 spaces. The applicant is proposing to use only 29 of those spaces as a reduction.

As part of a condition of approval for a recent Planned Community Permit the applicant will be required to provide an additional 46 spaces for the Phase I project on the Phase II project site for the lifetime of the project. This is required to accommodate the restaurant uses in the Phase I project.

Two conditions of approval have been added to the Planned Community Permit that will assist with the long-term parking strategy for Phase II. The first condition requires the project applicant to share parking for retail /restaurant /commercial uses on the first level of the subterranean office garage on evenings after 6:00 PM, weekends and holidays; and the other; allows the Zoning Administrator to hold a public hearing to review parking supply and demand and to resolve any shortage that would require additional spaces.

MGP proposes twice the amount of required bicycle parking beyond the City's minimum ordinance requirements as well as other bicycle incentive facilities such as a bicycle share program and on-site bicycle maintenance and repair facility. The applicant is also proposing to prewire all the parking spaces in the parking garage and the office subterranean parking for EV charging stations. Thirty charging stations will be provided in the office parking area and twelve stations will be installed in the parking garage.

Public Benefits and Infrastructure

The City Council included a public benefits requirement in the 2030 General Plan for projects between 1.85 FAR and 3.0 FAR along El Camino Real Corridor. There is no explicit public benefits requirement for other Change Areas in the 2030 General Plan. Subsequent to the adoption of the General Plan, Council has stated an expectation that

public benefits be provided for projects that exceed old General Plan and zoning limits and proceed ahead of the precise plans.

Floor Area Ratio (FAR)

The City can require public benefits for projects proposing to exceed the General Plan's FAR in key locations. The General Plan allows up to a 2.35 FAR for the San Antonio Center and, at a prior Study Session, Council stated that 3.0 FAR could be considered at this location with significant public benefits. With no set list of community benefits, both the EPC and City Council wanted the applicant to focus on mobility related improvements in the area.

Phase II has an FAR of 2.51 (for reference, it would be 1.59 without the parking structure). If Phase I and II are combined, the overall FAR is about 1.84 which is less than the 2.35 FAR maximum for the Mixed-Use Center.

Public Benefits

The San Antonio Area Precise Plan is anticipated to require public benefits for varying levels of FAR. Since the precise plan is still being developed by staff and the San Antonio Center Precise Plan consultant team, a future public benefit program is not known at this time, MGP has proposed the following items as public benefits for the project:

- (1) Forego the reimbursements for the El Camino Real/San Antonio intersection improvements (\$750,000)*;
- (2) Reimburse a portion of the construction of the Central Expressway Underpass (\$750,000)*;
- (3) Bike lanes along both sides of San Antonio Road and realignment of the median (\$3, 250,000);
- (4) Dedication of 5 feet along the Project's frontage on California Street for an improved bike lane (\$250,000);
- (5) Construction of a buffered / separated bike land on California Street along the project's frontage (\$100,000);

- (6) Improvements to the intersection of California Street & San Antonio Road by adding left turn lane onto California Street (\$1,230,000);
- (7) Improvements to the intersection of Pacchetti Way & California Street including, but not limited to, enhanced pedestrian crossing and bike loops (\$175,000)*;
- (8) Construction of artwork for Birthplace of the Silicon Valley at 391 San Antonio Road (\$300,000);
- (9) Upgrade the Cal Train Station to San Antonio Road Center pedestrian connection along San Antonio Road (\$400,000);*

The applicant is proposing a total of \$7,205,000 in Community Benefits which is at a rate of approximately \$10.48 a square foot. As a point of comparison, in addition to some infrastructure improvements, Intuit's 1.0 FAR office project provided a contribution of off-site improvement fees in anticipation of the City's adoption of a development impact fee ordinance for the Precise Plan area at a rate of approximately \$10 to \$15 per net new square foot which can be used for future transportation and ecological improvement projects in the North Bayshore Area. The 625 Clyde Avenue 1.0 FAR office project provided a contribution for transit and bike infrastructure improvements in the Whisman area at a rate of approximately \$5 a square foot (for a total of \$365,000).

**Note: Should this proposed benefit not be constructed the applicant will be required to provide the funding estimated to construct the improvement to the City to use for another mobility improvement in the area.*

Milk Pail

The Milk Pail property is located adjacent to the project site on California Street. During the project review process, staff, the B/PAC, the DRC, the Zoning Administrator, the EPC and City Council have received numerous letters, e-mails and comments requesting assistance to keep the Milk Pail in the Center. With the approval of this development, the Milk Pail will lose required parking and therefore, will not be in compliance with their parking requirements. MGP and the Milk Pail property owners have received input from the City to work together and resolve the situation. MGP has informed staff in the past that they have offered the corner tenant space at California Street and another tenant space in the Phase I project area. The owner of the Milk Pail has informed staff that the terms were not affordable and he had concerns regarding the demand for parking in the Phase I section of the Center.

In recent months the applicant has agreed to continue to provide driveway access to the Milk Pail site from the proposed driveway entrance on California Street and not block it off as originally planned. With agreement from the applicant, a condition of approval has been added to the project requiring that access be provided and that the owner of the Milk Pail be required to pay for the maintenance of the subject access.

ENVIRONMENTAL REVIEW

Environmental Impact Report (EIR) Process

EIR's provide information regarding the potential environmental impacts of a proposed project and how to mitigate them to local decision makers and the general public. The Village at San Antonio Center Project draft EIR provides the environmental review appropriate for the project in accordance with CEQA Guidelines.

Prior to approving The Village at San Antonio Center Project, the City Council must decide whether to certify the Final EIR. According to CEQA Guidelines certification consists of three separate steps. The Council must conclude that: (1) the document has been completed in compliance with CEQA; (2) the Council has reviewed and considered the information contained in the Final EIR prior to approving the project; and (3) the Final EIR reflects Council's independent judgment and analysis.

In accordance with CEQA Guidelines, a Notice of Preparation (NOP) was circulated to the public and responsible agencies for input regarding the analysis in the EIR. The draft EIR was circulated for public review for a 45-day comment period, which commenced on March 14, 2014 and ended on April 28, 2014.

Final EIR

Copies of all responses to comments and EIR text revisions, which together with the draft EIR comprise the Final EIR were available to the public on June 10, 2014. The City received sixteen (16) written comment letters on the Draft EIR. Notable issues in the comment letters included: traffic, providing parking for the adjacent Milk Pail business, aesthetics, air quality, alternatives, public services and recreation. No issues raised during the comment period could not be addressed during the standard Final EIR process. A response to each comment and appropriate text revisions are included in the Final EIR, which is attached to this report (see Attachment 7 - Draft and Final EIR).

Significant Unavoidable Impacts

The Draft EIR includes mitigation measures that will reduce most potential environmental impacts from the project to less than significant levels with incorporation of the project specific mitigation measures. However, the project plus cumulative condition would result in a significant increase in vehicle delay and deterioration of traffic operation at the intersection of San Antonio Road and El Camino Real, which this project alone cannot mitigate to a less than significant level.

This significant unavoidable impact will require the adoption of a Statement of Overriding Considerations by the City Council at the time the Final EIR is certified. A Statement of Overriding Considerations demonstrates that the benefits of a project outweigh the significant unavoidable impacts. The benefits of the project have been included in the attached "Findings of Fact and Statement of Overriding Considerations" (see Attachment 1 – Findings for the Final Environmental Impact Report (EIR) including a Statement of Overriding Considerations).

NEXT STEPS

The EPC recommendation from this public hearing will be forwarded to the City Council for consideration at a public hearing anticipated July 1, 2014.

CONCLUSION

Staff believes that the proposed project achieves the following goals for development in the San Antonio Change Area:

- The project proposes a mix of land uses including shopping, dining, entertainment, lodging and employment, which is encouraged for the San Antonio Center and will create destination location(s).
- The proposed market at the California Street and Pacchetti Way provides an opportunity for a neighborhood serving use or restaurant, and can also help transition the adjacent neighborhood from the higher density development.
- The intensity of the proposed project is supported by several transit options, in addition to the applicant's commitment to a mandatory 30-percent peak hour trip reduction for office trips and joining the TMA.

- The massing of the proposed office buildings has been reduced by providing large setbacks on the upper levels with projections on the lower levels, similar to the Fenwick & West building (400 Castro Street) in Downtown.
- The project has been designed to complete the Village Green “main street” frontage with ground floor retail and restaurants and a continuation of the promenade from the Phase I development.
- The ground floor commercial/retail storefronts continue around to the San Antonio Road and California Street frontages with wide sidewalks and enhanced pedestrian connections.
- The project will include a tribute to the historical events that occurred at 391 San Antonio Road.

The applicant’s proposal to realign the median on San Antonio Road and install bike lanes on both sides of the street from El Camino Real to California Street supports City goals for improved bicycle circulation.

Prepared by:

Approved by:

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Terry Blount
Assistant Community Development
Director/Planning Manager

Gerry Beaudin
Zoning Administrator

- Exhibit:
1. Findings for the Final Environmental Impact Report (EIR) including a Statement of Overriding Considerations
 2. Findings for the Amendment to the Zoning Map + Zoning Map Exhibit
 3. Findings for the Amendment to the San Antonio Center Precise Plan & proposed amendments.
 4. Findings for the Amendment to the existing Planned Community Permit for 455 San Antonio Road.
 5. Findings for the Planned Community Permit and Heritage Tree Removal Permit
 6. Project Plans
 7. Draft and Final EIR